

TESTIMONY BEFORE THE UNITED STATES HOUSE OF REPRESENTATIVES  
Committee on Agriculture  
Subcommittee on Conservation, Credit, Rural Development and Research  
April 8, 2004  
Hilo, Hawaii

Chairman Lucas, and committee members:

Thank you for the opportunity to testify before this committee.

Hawaii Cattlemen's Council, Inc. is the Statewide umbrella organization comprised of the five county level cattlemen's associations. Our 130+ member ranchers are stewards of over 60,000 head of beef cows; more than 75% of the beef cows in the State, and over 1 million acres of land, 25% of the State's total land mass.

It is essential to understand that agriculture conservation programs are needed, especially in Hawaii. While the state and federal government control vast amounts of environmentally sensitive lands, comparatively large amounts are held by both large and small private landowners. Many of these landowners are ranchers who have a sincere desire to run economically successful agricultural operations as well as act as stewards of the land. Unfortunately, these two principles may often be in conflict. Agriculture, especially ranching, generally operates on a very thin profit margin if any. As such, only a small portion of the cash, labor, and material resources are available for conservation. Without agricultural conservation programs that provide anywhere between fifty (50%) and one hundred percent (100%) of the funding needed, critical conservation projects would not be undertaken.

While currently somewhat effective, most agricultural conservation programs can be improved.

There are three things that can increase the efficacy of these programs that will make them consistently worthwhile for ranchers to utilize.

1. Currently, the adjusted gross income (AGI) requirements for these programs exclude most of the larger ranches from participation. This simple fact undercuts the value of these programs in Hawaii, because it is these ranches that own some of the most applicable lands and, with program assistance, have the ability to undertake valuable conservation practices. As such, the AGI requirement needs to be adjusted or eliminated for cost share and other agriculture conservation programs.
2. Far greater sensitivity to the local environmental constraints as well as economic considerations need to be incorporated when determining and requiring project specifications. Hawaii's climactic and geologic conditions often make specifications for pipe, fencing, and management practices on the continental United States impractical here. Moreover, whether something is practical or impractical varies dramatically from one climactic and geologic zone to the next.

With some ranches containing five or six such zones, a high degree of adaptability is needed both prior to and during implementation of a program.

3. The perception that cattle need to be excluded from an area in order for rehabilitation of that area to occur must be dispelled. Managed cattle grazing has been proven to be a highly effective method, if not a required element in rehabilitating an environmentally degraded area. Most practices require specific types of access, fencing, and water systems and must be integrated into the current operation of the ranch on which it is to occur. As such, any agricultural conservation program has to be sufficiently flexible so as to allow the area to remain a working part of the ranch.

The first change can be made simply by amending the laws governing these programs. The second and third changes require both the amending the laws governing these programs and the placing and empowering of more agency officials in the field so as to allow them to work closely with landowners prior to signing a contract to implement such a program and during the implementation of that contract. Only by having such personnel more readily available can any newly included flexibility be effectively understood and employed.

Currently, most agricultural conservation programs approach the partnership that is formed between the supporting governmental agency and the landowner as exclusively a conservation partnership. The partnership must be both a conservation and an economic partnership. What this means is that the partnership must work openly and aggressively towards both land steward goals and the financial goals of the ranch. Otherwise, the goals of the agency and the landowner can be at odds. Generally the economic goals take precedence for the landowner and conservation goals are the primary focus of the government agency. Without the cooperation of both entities, these goals will increasingly diverge rather than converge.

In other words, the landowner may try to manipulate the parameters of the program to meet his/her economic needs and the program will, in essence, be forced to resist that manipulation. The consequence of this is that the goals of neither the program or of the landowner are met.

Currently, the potential economic benefits of these programs are presented as essentially unintended consequences rather than one of their specific intents. The reality is that because these programs are generally designed to address conservation concerns, they fail to provide the type of assistance landowners need and, therefore, maybe under utilized.

Please note that it is not the intent to shift the focus of these programs from conservation to economic stimulus. Rather, it is the intent to openly and structurally include economic stimulus as one of the accepted and supported focuses.

In doing so, not only will these programs become more appealing to the landowners for which they are intended and thus be better utilized, they would also reduce the fear of suits by third parties. If these programs can in part promote the economic goals of the

landowner, then the watchdog agencies will have far less to look for in terms of the undue receipt of economic assistance and the failure to meet conservation goals.

Lastly, while the needed general changes can be made at the federal level, the needed specific changes cannot. Only by working directly and closely with local landowners through repeated site visits can the specific adaptations be made that will allow a chosen program to achieve both the goals of the support agency and the landowner.

At this time, there is an effort underway to bring a Conservation Reserve Enhancement Program (CREP) along with a Coordinated Conservation Program (CCP) to the State of Hawaii. If successful, this effort may go a long way toward correcting some of the problems previously outlined. In particular, the CREP/CCP seeks to eliminate the AGI requirement and to make far more financial resources available. Landowners in the State are encouraged by this potential opportunity. It will not only make many agricultural conservation programs more readily available, but make them more adaptable and applicable to Hawaii's unique environmental and conservation issues.

Hawaii's ranchers already do a great deal in their capacity as stewards of the land and current agricultural conservation programs assist their efforts by reducing economic impact. However, these ranchers believe that a great deal more can be done with increased support from the government. The government has the opportunity to help ranchers do more and we encourage you to take that opportunity.

Thank you again for the opportunity to address this committee. We appreciate your time and interest in these worthwhile programs.